

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 298 - HB 443

May 3, 2021

SUMMARY OF ORIGINAL BILL: Decreases, from 15 days to 10 days, the number of days the Comptroller of the Treasury has to determine if certain financing agreements to fund a medical school under the Medical School Authorities Act are in compliance with the guidelines, rules or regulations of the State Funding Board.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENTS (008111, 008128): Amendment 008111 deletes all language after the enacting clause. Creates two resident training programs for doctors of medicine and physicians focusing on family practice, general pediatrics, and psychiatry to provide medical and behavioral health services in medically underserved and rural counties. Both programs must provide opportunities across the state. The Tennessee Higher Education Commission (THEC) is to administer the resident training program for doctors of medicine in conjunction with the Department of Health. THEC will contract with accredited medical schools and sponsoring institutions. Funds are to be allocated in the same manner as the Division of TennCare graduate medical education funds are distributed. Lincoln Memorial University (LMU) is to administer the residency training program for physicians in cooperation with the Department of Health and may contract with other accredited osteopathic or allopathic medical schools and sponsoring institutions or residency programs.

The residency training programs are to use non-state, federal, and private funds or fee revenue in the development and implementation of the additional resident training opportunities. Specifies the resident training opportunities created under this section are not eligible for graduate medical education funds distributed by the Division of TennCare.

Amendment 008128 deletes and replaces language in the bill as amended by amendment 008111 to make a technical correction without making any substantive changes to the legislation.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Expenditures - \$5,500,000/FY21-22 and Subsequent Years

Other Fiscal Impact – Of the increased expenditures, \$4,000,000 will be allocated to THEC for the resident training programs administered by the University of Tennessee and East Tennessee State University and \$1,500,000 will be allocated to the resident training programs administered by Lincoln Memorial University.

The FY21-22 budget passed by the General Assembly on April 29, 2021 includes funding in the amount of \$5,500,000 for this purpose.

Assumptions for the bill as amended:

- THEC will receive an allocation of \$4,000,000 to administer doctor of medicine resident training opportunities at the University of Tennessee (UT) and East Tennessee State University (ETSU). The exact amount of funds for each university's program and the number of residents being trained is dependent on the process and methodology required by the proposed legislation.
- LMU will receive an allocation of \$1,500,000 to administer physician resident training opportunities. The exact amount of funds for each university's program and the number of residents being trained will be dependent on the methodology established by LMU and any contracted schools or sponsoring institutions.
- The amount of non-state, federal and private funds or fee revenue available is unknown.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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